



Update on Drilling Waste Management in Argentina – 19 June 2019

The Neuquén Mapuche Confederation, Neuquén's Permanent Assembly for Human Rights and an Argentine association of environmental lawyers filed a complaint on October 31, 2018 calling on the Public Prosecutor to investigate Treater S.A., a waste management service provider used by several oil and gas companies, including Total.

The complainants are alleging that the company's site and its operating methods do not comply with the standards for treating and managing waste from oil and gas operations.

The complaint also names certain authorities and several oil and gas companies, including Total. However, to date, Total Austral has not received any notification from the Public Prosecutor about the lawsuit.

In December 2018, Greenpeace published a report on operating conditions at Treater S.A., highlighting the role played by the company's oil and gas clients.

Total responded to Greenpeace France within 48 hours via a letter signed by the Chairman and Chief Executive Officer.

The letter indicated that, as part of its internal control procedures for service providers, Total had conducted a site inspection and an HSE management audit of Treater S.A. in October 2017. These control procedures confirmed that the company's facilities met the certification criteria required by the provincial authorities and did not give rise to any negative observations of note.

Total also indicated in its letter that it would carry out additional controls on the service provider in question. These controls were subsequently performed. They confirmed that Treater S.A. held all of the permits and certifications necessary to operate its waste management site in compliance with the applicable regulations.

Total communicated this information to Greenpeace Argentina in a letter dated March 25, 2019.

Greenpeace Argentina announced on May 17, 2019 that it was joining the other complainants in their complaint against the authorities, Treater S.A. and several oil and gas companies, including Total. To date, no notification of this complaint has been addressed to Total Austral by the authorities.

The national, provincial and/or municipal authorities are responsible for determining the conditions under which a company is authorized to operate.

An investigation is currently being conducted by the Neuquén Province Public Prosecutor's office. As part of the investigation, the authorities have taken several soil samples from the waste delivery and storage areas at the Treater S.A. site. The reports on the analyses carried out on these samples by the province have been communicated to Total Austral by Treater S.A. They show no signs of anomalies in soil quality.

When Total Austral inspected Treater S.A.'s facilities again, it nonetheless noticed that the site was saturated, the industry having underestimated the increase in volumes from Vaca Muerta.

In consultation with Treater S.A., Total Austral stopped sending waste to their site. It now uses another waste management service provider, while waiting for the construction of a new waste treatment facility that Total Austral has taken the initiative to build, potentially with other oil and gas operators.



Waste management is an issue for all operators in the region and additional treatment capacity is required to meet the industry's growing needs. Total Austral is working with all of parties involved to find a comprehensive solution that will include reducing the quantity of waste to be treated.

An action plan has been launched by Total Austral in the province of Neuquén to reduce the amount of waste produced at the source and Total is continuing its research into technical solutions for waste management with the help of its engineering teams.